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**ANNUAL AUDITED REPORT**  
**FORM X-17A-5** Mail Processing Section  
**PART III**

FEB 29 2008

SEC FILE NUMBER  
8- 67027

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5(e) Thereunder

REPORT FOR THE PERIOD BEGINNING 01/01/07 AND ENDING 12/31/07  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: CCF Investments, Inc.

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

320 North Broad Street

(No. and Street)

Thomasville

Georgia

31792

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Richard Kinnard

229-228-5034

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Carr, Riggs & Ingram, LLC

(Name - if individual, state last, first, middle name)

1713 Mahan Drive

Tallahassee

Florida

32308

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant  
☐ Public Accountant  
☐ Accountant not resident in United States or any of its possessions.

PROCESSED

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FINANCIAL

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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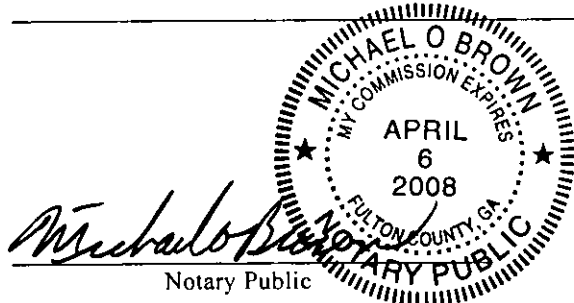
## OATH OR AFFIRMATION

I, Katy Anderson, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CCF Investments, Inc., as of December 31, 20 07, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



Katy Anderson  
Signature  
FINOP  
Title

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☒ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).**

# CCF Investments, Inc.

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CARR, RIGGS & INGRAM, LLC

1713 Mahan Drive  
Tallahassee, FL 32308

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## INDEPENDENT AUDITORS' REPORT

Board of Directors and Management  
CCF Investments, Inc.  
Thomasville, Georgia

We have audited the accompanying statements of financial condition of CCF Investments, Inc. as of December 31, 2007, and the related statements of loss, changes in stockholder's equity, and cash flows for the year then ended that you are filing pursuant to rule 17a-5 under the Securities Exchange Act of 1934. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CCF Investments, Inc. as of December 31, 2007, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by rule 17a-5 under the Securities Exchange Act of 1934. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Carr, Riggs & Ingram, LLC*

Tallahassee, Florida  
February 19, 2008

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**CCF INVESTMENTS, INC.**  
**Statement of Financial Condition**

<u>December 31,</u>	<u>2007</u>
<b>Assets</b>	
Cash	\$ 97,714
Commissions receivable	165,273
Prepaid expenses	32,889
Equipment, net	6,477
<b>Total assets</b>	<b>\$ 302,353</b>
<b>Liabilities and Stockholder's Equity</b>	
<b>Liabilities</b>	
Accounts payable and accrued expenses	\$ 12,707
Due to parent	1,753
Commissions payable	130,649
Registration and administration fees collected in advance	18,944
<b>Total liabilities</b>	<b>164,053</b>
<b>Stockholder's equity</b>	
Common stock, \$1 par value, authorized 1,000,000 shares, issued 50,000 shares	50,000
Additional paid-in capital	202,701
Deficit	(114,401)
<b>Total stockholder's equity</b>	<b>138,300</b>
<b>Total liabilities and stockholder's equity</b>	<b>\$ 302,353</b>

The accompanying notes are an integral part of these financial statements.

**CCF INVESTMENTS, INC.**  
**Statement of Loss**

<i>Year ended December 31,</i>	<i>2007</i>
<b>Revenues</b>	
Commissions	\$ 4,244,581
Other income	442,373
<b>Total revenue</b>	<b>4,686,954</b>
<b>Expenses</b>	
Employee and agent compensation and benefits	4,114,076
Insurance	249,755
Regulatory fees	42,777
Other expenses	305,428
<b>Total expenses</b>	<b>4,712,036</b>
<b>Net loss</b>	<b>\$ (25,082)</b>

The accompanying notes are an integral part of these financial statements.

**CCF INVESTMENTS, INC.**  
**Statement of Changes in Stockholder's Equity**

	Common Stock		Additional		Total
	Shares	Amount	Paid-in	Deficit	Stockholder's
			Capital		Equity
Balance at January 1, 2007	50,000	\$ 50,000	\$ 120,069	\$ (89,319)	\$ 80,750
Contributed capital	-	-	82,632	-	82,632
Net loss	-	-	-	(25,082)	(25,082)
Balance at December 31, 2007	50,000	\$ 50,000	\$ 202,701	\$ (114,401)	\$ 138,300

The accompanying notes are an integral part of these financial statements.

**CCF INVESTMENTS, INC.**  
**Statement of Cash Flows**

<i>Year ended December 31,</i>	<b>2007</b>
Cash flows from operating activities:	
Net loss	\$ (25,082)
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation	4,562
(Increase) decrease in operating assets:	
Commissions receivable	(47,179)
Prepaid expenses	24,273
Other assets	6,000
(Decrease) increase in operating liabilities:	
Accounts payable and accrued expenses	(40,501)
Due to parent	(2,310)
Commissions payable	(6,113)
Registration and administration fees collected in advance	(60,906)
Net cash used in operating activities	(147,256)
Cash flows from financing activities	
Contribution of capital	82,632
Net cash provided by financing activities	82,632
Net change in cash	(64,624)
Beginning cash	162,338
Ending cash	\$ 97,714

The accompanying notes are an integral part of these financial statements.



**NOTE 1 – NATURE OF BUSINESS**

CCF Investments, Inc. (the Company) is an introductory broker-dealer registered with the Securities and Exchange Commission (SEC) and is a member of the National Association of Securities Dealers (NASD). The Company is a Georgia corporation that is a wholly-owned subsidiary of Capital Choice Financial Services, Inc. (parent).

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of presentation** – The accompanying financial statements are presented on the accrual basis of accounting.

**Commissions** – Commissions are recorded on the trade-date basis as securities transactions occur.

**Administration fees** – Fees are collected from agents for errors and omissions insurance, compliance audits and fidelity bond. These fees are collected in advance and recognized as revenue during the year for which the corresponding expenses relate.

**Cash** – The Company does not collect or hold funds on behalf of customers. As such, the Company is exempt from maintaining a special account for the exclusive benefit of customers as required by rule 15c3-3(k)(2)(i) of the SEC.

**Depreciation** – Depreciation is provided on a straight-line basis using estimated useful lives of five to ten years.

**Advertising** – Advertising costs are expensed as incurred.

**Allocation of expenses** – The Parent incurs all overhead expenses and allocates the Company's share via intercompany accounts.

**Income taxes** – Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred income taxes are provided for temporary differences between the financial reporting bases and the tax bases of assets and liabilities. Such differences result primarily from the net operating loss generated in prior years which will be carried forward to future years for income tax purposes. The Company incurred no provision for or benefit from income taxes.

**Management estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Commissions receivable are estimated based on a six month rolling average of monthly concessions received.

**NOTE 3 – COMMISSIONS RECEIVABLE**

Commissions receivable include amounts due from investment and insurance companies. Management considers all receivables to be fully collectible. Accordingly, no allowance for doubtful accounts has been provided.

**NOTE 4 – PREPAID EXPENSES**

Prepaid expenses include the following:

<i>December 31,</i>	<i>2007</i>
NASD registrations	\$ 16,095
Errors and omissions insurance	13,192
Other	3,602
<b>Total prepaid expenses</b>	<b>\$ 32,889</b>

**NOTE 5 – EQUIPMENT**

Equipment, net includes the following:

<i>December 31,</i>	<i>2007</i>
Equipment	\$ 14,110
Less accumulated depreciation	(7,633)
<b>Equipment, net</b>	<b>\$ 6,477</b>

Depreciation expense totals \$4,562 for 2007.

**NOTE 6 – REGISTRATION AND ADMINISTRATION FEES COLLECTED IN ADVANCE**

NASD registration and administration fees collected from agents in advance totaled \$18,944 at December 31, 2007.

**NOTE 7 – NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At December 31, 2007, the Company had net capital of \$63,426 which was \$52,489 in excess of its required net capital of \$10,937. The Company's net capital ratio was 2.59 to 1.

**NOTE 8 – INCOME TAXES**

The income tax provision differs from the amount determined by applying the applicable U.S. statutory federal income tax rate to pretax accounting income primarily as a result of the Company's recording of a valuation allowance against the deferred tax asset resulting from incurred net losses.

Net deferred income taxes consist of the following:

<i>December 31,</i>	<i>2007</i>
Deferred tax assets	\$ 23,575
Valuation allowance	(23,575)
Net deferred income taxes	\$ -

Operating loss carryforwards total approximately \$115,000 and will expire in various years through 2022.

The federal income tax returns of the Company for 2005 and 2006 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

**NOTE 9 – COMMITMENTS**

The Company finances its errors and omissions insurance through a premium finance agreement with the insurance carrier. The errors and omissions policy is effective for one year beginning December 20, 2007. Premiums related to this policy total \$182,655. The Company paid 10% of the annual premium totaling \$18,266 prior to December 20, 2007. The remaining balance of the premium is to be paid in nine monthly installments of \$18,910 commencing January 20, 2008. The Parent has guaranteed the commitment.

**NOTE 10 – SUBORDINATED DEBT**

At December 31, 2007, the Company had no subordinated debt.

**CCF INVESTMENTS, INC.**  
**Computation of Net Capital Under Rule 15c3-1**  
**of the Securities Exchange Commission**

December 31, 2007

**Net capital**

Total stockholder's equity \$ 138,300

Deductions and/or charges:

Nonallowable assets:

Commissions receivable (net of corresponding commission payable of  
\$129,765) 35,508

Equipment, net 6,477

Prepaid expenses and other assets 32,889

Total deductions and/or charges 74,874

Net capital \$ 63,426

**Aggregate indebtedness**

Items included in statement of financial condition:

Accounts payable and accrued expenses \$ 12,707

Due to parent 1,753

Commissions payable 130,649

Registrations and administration fees collected in advance 18,944

Total aggregate indebtedness \$ 164,053

**Computation of basic net capital requirement**

Minimum net capital required \$ 10,937

Excess net capital at 1,500 percent \$ 52,489

Excess net capital at 1,000 percent \$ 47,021

Ratio: aggregate indebtedness to net capital 2.59

There are no material differences between the above computation and the Company's corresponding unaudited Part II of Form X-17A-5 as of December 31, 2007.

See the Independent Auditors' Report.

**CARR, RIGGS & INGRAM, LLC**

1713 Mahan Drive  
Tallahassee, FL 32308

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Board of Directors and Management  
CCF Investments, Inc.  
Tallahassee, Florida

In planning and performing our audit of the financial statements of CCF Investments, Inc. (the Company), as of and for the year ended December 31, 2007, in accordance with auditing standards generally accepted in the United States of America, we considered the Company's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

Also, as required by rule 17a-5(g)(1) of the Securities and Exchange Commission (SEC), we have made a study of the practices and procedures followed by the Company, including consideration of control activities for safeguarding securities. This study included tests of compliance with such practices and procedures that we considered relevant to the objectives stated in rule 17a-5(g), in the following:

1. Making the periodic computations of aggregate indebtedness (or aggregate debits) and net capital under rule 17a-3(a)(11) and the reserve required by rule 15c3-3(e).
2. Making the quarterly securities examinations, counts, verifications, and comparisons, and the recordation of differences required by rule 17a-13.
3. Complying with the requirements for prompt payment for securities under Section 8 of Federal Reserve Regulation T of the Board of Governors of the Federal Reserve System.
4. Obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by rule 15c3-3.

The management of the Company is responsible for establishing and maintaining internal control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of controls, and of the practices and procedures referred to in the preceding paragraph, and to assess whether those practices and procedures can be expected to achieve the SEC's above-mentioned objectives. Two of the objectives of internal control and the practices and procedures are to provide management with reasonable but not absolute assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

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Because of inherent limitations in internal control and the practices and procedures referred to above, error or fraud may occur and not be detected. Also, projection of any evaluation of them to future periods is subject the risk that they may become inadequate because of changes in conditions or that the effectiveness of their design and operation may deteriorate.

A *control deficiency* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first and second paragraphs and would not necessarily identify all deficiencies in internal control that might be material weaknesses. However, we identified the following deficiencies in internal control that we consider to be material weaknesses, as defined above. These conditions were considered in determining the nature, timing and extent of the procedures performed in our audit of the financial statements of CCF Investments, Inc. as of and for the year ended December 31, 2007, and this report does not affect our report thereon dated February 19, 2008.

1. *We assisted with the preparation of the annual financial statements.*

We assisted with the preparation of the annual financial statements as of and for the year ended December 31, 2007.

Remedy: The Company believes our assistance in the reporting process is the most effective and efficient method to prepare the financial statements in such a highly regulated industry.

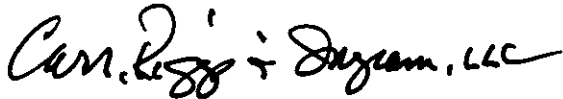
We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the SEC to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. However, we noted the following matters involving control activities for safeguarding securities and its operation that we consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing and extent of the procedures to be performed in our audit of the financial statements of CCF Investments, Inc. for the year ended December 31, 2007, and this report does not affect our report thereon dated February 19, 2008.

2. *Minimum net capital requirements were not met.*

The Company is subject to the Securities and Exchange Commission Uniform Net Capital Rule (SEC Rule 15c3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. At January 1, 2007, the Company had net capital of \$6,549 which was \$11,711 below its required net capital of \$18,260.

Remedy: On January 25, 2007, the parent company, Capital Choice Financial Services, Inc. contributed an additional \$50,000 of capital. Currently, the Company is developing an improved monitoring process to prevent future capitalization problems.

This report is intended solely for the information and use of the Board of Directors, management, the SEC, and other regulatory agencies that rely on rule 17a-5(g) under the Securities Exchange Act of 1934 in their regulation of registered brokers and dealers, and is not intended to be and should not be used by anyone other than these specified parties.



Carr, Riggs & Ingram, LLC  
February 19, 2008

**END**